

UK ALUMINIUM MANIFESTO 2024



THE VOICE OF THE UK ALUMINIUM INDUSTRY

ALFED
ALUMINIUM FEDERATION



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AS THE VOICE OF THE UK ALUMINIUM INDUSTRY, THE ALUMINIUM FEDERATION (ALFED) IS CALLING ON THE NEXT UK GOVERNMENT TO PRIORITISE AND SUPPORT THE VITAL ROLE OF THE ALUMINIUM MANUFACTURING AND PROCESSING SECTOR IN DRIVING ECONOMIC GROWTH, SUSTAINABILITY, AND ENERGY SECURITY.

Aluminium is an affordable, highly recyclable material that supports a global circular economy. The aluminium industry is a vital part of the UK manufacturing sector and an essential component of the modern UK economy, which will play a key role in the UK's transition to a more sustainable future.



The Voice of the UK Aluminium Industry



#UKALUMINIUM

The recent Material and Resource Requirements for the Energy Transition report showed the critical importance of aluminium for the deployment of clean energy technologies. Demand for aluminium will be driven across most of the clean energy technologies and by a wide range of other industrial or consumer uses especially for lightweight electric vehicles. Solar, wind, and power grids will all increase demand for aluminium.

Aluminium will be required to support the dramatic increase in electrical energy use in the UK, the major expansion of the UK electricity grid and the near-total decarbonisation of the UK passenger vehicle fleet by 2050.

Therefore, with global aluminium consumption expected to increase from 100Mt/year today to 140Mt/year by 2030, and 180Mt/year by 2050, now is the time to realise the huge potential in onshoring production and the current production capability challenges we face.

Our Manifesto outlines clear stipulations for how the new Government should regard aluminium manufacturing as a key contributor to the UK economy, focusing on doubling down on policies for net zero, safeguarding energy security, and developing a clear industrial strategy.

A composite image featuring a complex, metallic, lattice-like structure of aluminium on the left and a circular inset on the right showing a globe with footprints on its surface, symbolizing global impact and industry.

ALUMINIUM IS
A KEY
CONTRIBUTOR

1

DELIVER AN INDUSTRIAL STRATEGY CREATING A LEVEL PLAYING FIELD

Our foremost objective is to support and deliver an Industrial Strategy that removes political interference and barriers preventing progress, supports investment, efficiency, innovation, and underpins the need to lead in sustainable aluminium production.

In our pursuit of a fair and competitive marketplace, we must address the issue of a level playing field, particularly in light of recent developments regarding Russian aluminium sanctions. We advocate for smarter and more robust sanctions implementation to prevent the circumvention of restrictions and by challenging these indirect imports, we uphold the integrity of sanctions and ensure a fair environment for all market participants.

A robust industrial strategy is paramount to our nation's economic success. Manufacturing must lay at the heart of the next Government's economic agenda, and we recognise the interconnectedness of industrial strategy with other key policy areas, such as housing and construction. By aligning with sectors like housing, building, and construction, which are significant consumers of aluminium, we can leverage synergies to drive sustainable growth.

ALFED is calling for an ambitious target to increase the contribution of manufacturing to GDP from 10% to 15%. This underscores the pivotal role that the aluminium sector can play in driving economic expansion and job creation across the nation.

2

SAFEGUARDING ENERGY SECURITY AND NET ZERO POLICIES

Considering the urgent need to address climate change and ensure energy security, we call on the next Government to double down on policies promoting net zero emissions. This includes incentivising investment in aluminium manufacture and product design, harnessing green electricity, and leveraging the UK's expertise in metals processing.

The UK has insufficient capability to produce this critical metal in its primary energy and carbon intensive form and is reliant on imports. To address this challenge, the UK must invest in aluminium manufacture and product design in suitable regions where there are brownfield sites, provision of green electricity and green hydrogen supplies, and ideally, heritage of metals processing with the associated skills base.

Secondary low embodied carbon aluminium is available in the UK at estimated tonnages that range for 800kt/year up to 1.4Mt/year although

most of this is exported due to lack of scrap processing and refining capability and the limited casting and processing facilities to make the major required product forms like sheet, plate, extrusions, castings, forgings, cable and wire semi-fabricated products. Investment in such manufacturing facilities would support the onshoring of manufacturing and would shorten supply chains and would make the UK less vulnerable to carbon tax mechanisms and rules of origin requirements.

Greenshoring aluminium extrusion, casting and rolling for automotive, aerospace, defence, construction, packaging and rail would increase jobs to 340K, contributing £34BN per annum to the UK economy.

Green aluminium is crucial for lightweighting and reducing global carbon emissions by 2%. Removing reliance on primary aluminium imports presents a transformational opportunity for UK economic growth.

3

POLITICAL AND POLICY STABILITY

A return to political and policy stability is essential for fostering an environment conducive to long-term investment and growth. We urge the next Government to prioritise stability and engage in constructive debates to address the critical choices facing the country.

4

SKILLS REVOLUTION AND EDUCATION REFORM

As part of a comprehensive industrial strategy, we advocate for a skills revolution to equip the current and future workforce with the digital skills necessary for advanced manufacturing.

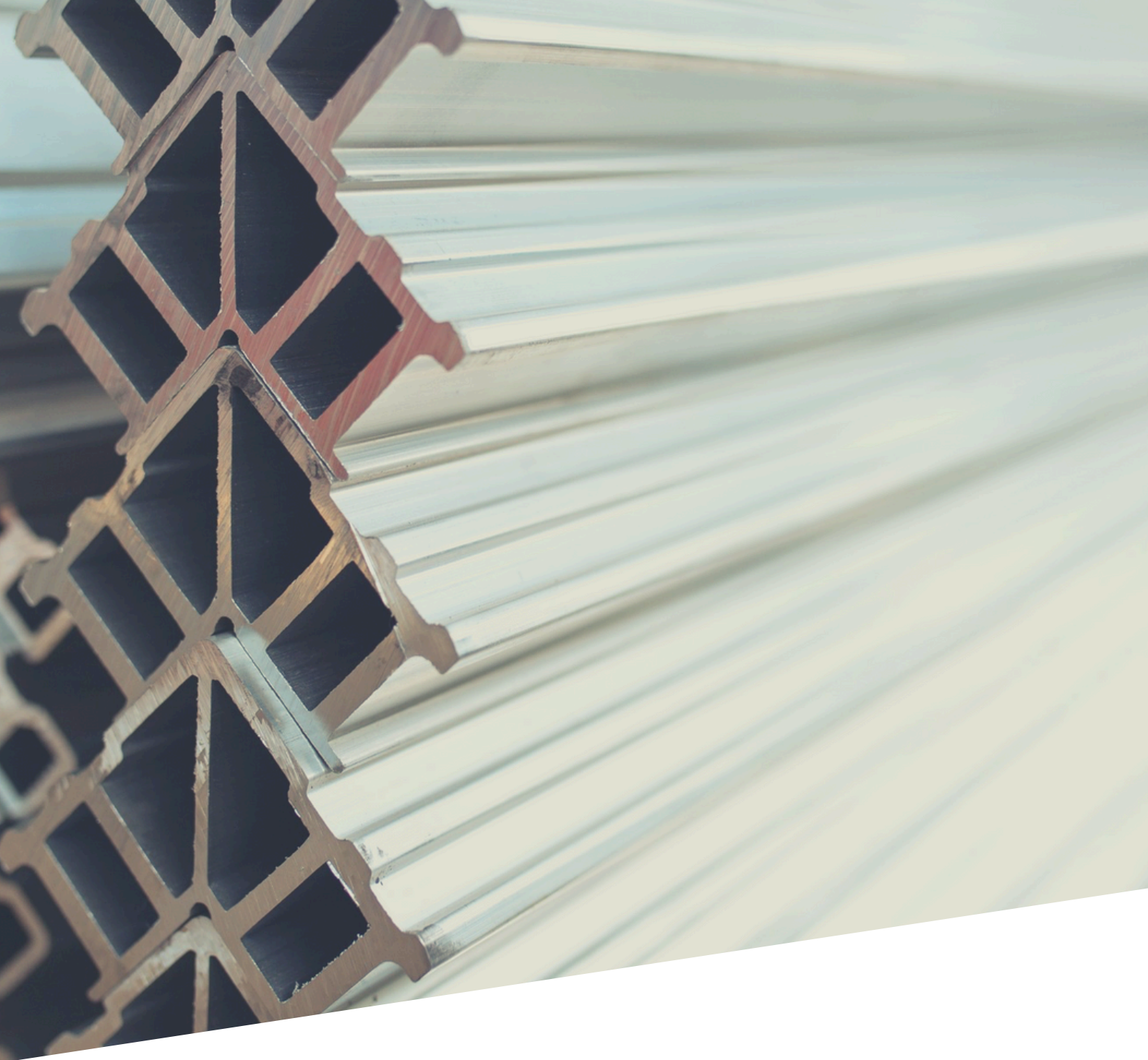
Substantial reforms of the Apprenticeship Levy and a complete review of the vocational skills system are imperative to ensure a constant pipeline of talent to fuel the expansion of the sector.

5

INFRASTRUCTURE INVESTMENT AND NET ZERO ECONOMY

The next Government must increase infrastructure spending to the OECD average, with a focus on maximising the opportunities of a net-zero economy. This includes investment in transportation, energy, and digital infrastructure to support the growth of the aluminium sector.

By investing in net zero aluminium manufacture and product design, the UK can secure a critical sector capable of contributing more than 100,000 green jobs and upwards of £12 Billion annually to the economy by 2050.



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